

Smart Money Tips

1

Get organized. Set up separate files for your bank statements, household bills, insurance payments, college applications, financial aid papers, loan documents and correspondence with your college and lender. Keep them in a safe place.

2

Create a monthly spending plan and stick to it. First, you'll need to know your income and expenses. To figure out your expenses, write down all your purchases every day for at least two weeks to understand where your money is going. Also, look at your bank or credit card statements at the end of the month. You'll get a good idea of the number of coffees you bought, how many times you ate out, any clothes, shoes, books or other items you bought, and your regular household expenses, such as rent, utilities and food.

3

Avoid using credit cards. It's easy to get a credit card and even easier to get into trouble. Shop around and be wary of low introductory rates that quickly jump higher. Look out for hidden fees. Consider a debit card instead, but you'll still need to read the fine print. If you have a credit card, pay your balance in full each month. If you can't, try to pay more than just the minimum payment.

4

Start saving. No matter how little, set aside something every month. Even \$20 a month will get you in the habit of saving and help build a cushion for a financial emergency.



Know how much you need

Your expenses during college amount to more than just tuition and fees. Find out the current costs of nearly every college in the country by exploring the College Navigator Web site at www.nces.ed.gov/ipeds/cool and the College Board's Web site at www.collegeboard.com.